

**Section B**

**Supplies or Services and Prices**

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**B.1 Workers' Compensation Claims Administrative Services**

This is a fixed-unit price services contract for Workers' Compensation Claims Administrative Services for the U. S. Department of Energy's Hanford Site. The Contractor shall furnish all personnel, facilities, equipment, material, supplies, and services (except as expressly set forth in this contract as furnished by the Government) and otherwise do all things necessary for, or incident to, performing in an efficient and effective manner, all work set forth in Section C, *Statement of Work*.

**B.2 Obligation of Funds and Limitation of Government Financial Liability**

The total amount of funds presently obligated by the Government under this contract is \$1,210,676.23. The Government will obligate contract funds based upon the expected number and type of claims anticipated to be processed. If, in the Contractor's judgment, the total amount of payments that will be due to the Contractor within the next 60 days will exceed the total funds obligated, the Contractor shall notify the Contracting Officer in writing. The Contractor has no obligation to perform and the Government has no obligation to pay for services in excess of the total funds obligated.

**B.3 Price(s)**

The Contractor will be paid monthly to provide claim services. The Contractor will receive payment for opening the initial claim. In the event that the claim is re-opened, no additional payment will be made. In the event that a medical only claim evolves into an indemnity claim, the Contractor shall invoice for the difference, if any, between the amount previously invoiced and the higher unit price. All claims will be paid at the rates set forth below:

<b>Indemnity Claims (October 1, 2004 through September 30, 2009)</b>			
<b>Table 1</b>			
Fiscal Year	Indemnity Unit Price/Per Claim	75% Payment (Opening of New Claims)	25% Payment (Closure of Claims)
FY2005	\$1,290.00	\$967.50	\$322.50
FY2006	\$1,370.00	\$1,027.50	\$342.50
* FY2007	\$1,460.00	\$1,095.00	\$365.00
* FY2008	\$1,560.00	\$1,170.00	\$390.00
* FY2009	\$1,670.00	\$1,252.50	\$417.50

<b>Medical Claims (October 1, 2004 through September 30, 2009)</b>			
<b>Table 2</b>			
Fiscal Year	Medical Only Unit Price/Per Claim	75% Payment (Opening of New Claims)	25% Payment (Closure of Claims)
FY2005	\$700.00	\$525.00	\$175.00
FY2006	\$740.00	\$555.00	\$185.00
* FY2007	\$785.00	\$588.75	\$196.25
* FY2008	\$835.00	\$626.25	\$208.75
* FY2009	\$890.00	\$667.50	\$222.50

\* Option years - at the sole discretion of the Government.

Transferred Indemnity Claims (prior to October 1, 2004) Table 3		
Fiscal Year	Payment (Transferred Indemnity Claims) per claim	Payment (Closure of Transferred Claims) per claim
FY2000	N/A	\$197.00
FY2001	N/A	\$207.80
FY2002	N/A	\$219.20
FY2003	N/A	\$231.40
FY2004	N/A	\$243.00

Transferred Medical Claims (prior to October 1, 2004) Table 4		
Fiscal Year	Payment (Transferred Medical Claims) per claim	Payment (Closure of Transferred Claims) per claim
FY2000	N/A	\$108.00
FY2001	N/A	\$114.00
FY2002	N/A	\$120.20
FY2003	N/A	\$126.80
FY2004	N/A	\$133.00

Total contract estimate thru 30 Sept 2007 is \$ 1,521,519.00. This is an estimate only and the actual amount will be based upon the amount of claims processed as described above.

#### B.4 Reimbursable Expenses

In addition to the payments due in accordance with paragraph B.3 above, the Contractor shall also be paid those charges that have been incurred pursuant to Special Contract Requirement H.5, Reimbursable Expenses, H.6 Workers' Compensation Litigation and Claims Support and Reimbursable Costs, and H.7, DOE's Claimant Benefit Payment Account.